

Matthew G. Bevin  
Governor

Charles G. Snively  
Secretary  
Energy and Environment Cabinet



Commonwealth of Kentucky  
**Public Service Commission**

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June 07, 2017

Michael J. Schmitt  
Chairman

Robert Cicero  
Vice Chairman

**PARTIES OF RECORD**

RE: Case No. **2017-00186**

The Commission staff has reviewed the application in the above case and finds that it meets the minimum filing requirements and has been accepted for filing.

Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502-564-3940.

Sincerely,

A handwritten signature in black ink that reads "Talina R. Mathews".

Talina R. Mathews  
Executive Director

TM/BB

**FILED**

**MAY 31 2017**

**PUBLIC SERVICE  
COMMISSION**

**COMMONWEALTH OF KENTUCKY  
BEFORE THE  
KENTUCKY PUBLIC SERVICE COMMISSION**

In The Matter of:

The Application of Duke Energy Kentucky, )  
Inc., for a Certificate of Public Convenience and )  
Necessity for Construction of a Number 2 ) Case No. 2017-00186  
Distillate Fuel Oil System at the Company's )  
Woodsdale Natural Gas-Fired Generating )  
Station )

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**APPLICATION OF DUKE ENERGY KENTUCKY, INC.,  
FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

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Now comes Duke Energy Kentucky, Inc. (Duke Energy Kentucky or the Company), pursuant to KRS 278.020 and 807 KAR 5:001 Section 15 Duke Energy Kentucky requests that the Commission grant a Certificate of Public Convenience and Necessity (CPCN) for the Company to construct and install a ultra-low sulfur diesel (ULSD) distillate fuel oil system at the Company's Woodsdale Natural Gas-fired Combustion Turbine Generating Station (Woodsdale) site (ULSD Fuel System) as an alternate fuel source to natural gas, and retire the existing on-site propane system equipment that is no longer usable and sufficient to meet the newly enacted and soon to be enforced Capacity Performance (CP) requirements of PJM Interconnection LLC (PJM). PJM's CP rules, which reform PJM's Reliability Performance Model (RPM), create significant risk that Woodsdale, in its present fuel configuration, will not be accepted as a resource for Duke Energy Kentucky to meet its obligation as a PJM Load Serving Entity (LSE) beginning June 1, 2019.

The CP rules provide broad discretion on the part of PJM and the Independent Market

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